

UNITED STATES
DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D. C.

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No. 1
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August 5, 1936.

To: Agricultural Conservation Committees.

North Central Region.

Dear Committeeman:

Early reports indicate that the drought has seriously reduced the seed harvest of important pasture and meadow grasses and has affected the seed crop of alfalfa, clover, sweet clover, and other legumes in major seed-producing areas.

In view of the encouragement given to the increase in acreage of soil-conserving crops and the improvement of pastures, meadows, and ranges by the Agricultural Conservation Program, it is of great importance that all possible attention be given to the seed supply of adapted soil-conserving crops and emergency forage and cover crops for planting this fall and during 1937.

Seed problems vary locally within each region, and must be considered from the standpoint of local conditions and adaptation. It is hence suggested that County Agricultural Conservation Associations give careful attention to the available local seed supply at an early date for use in connection with the Agricultural Conservation Program. Individual farmers can do much to insure the seed supply by making a special effort, wherever possible, to harvest their own supply of adapted seed of soil-conserving crops and other crops greatly reduced by drought, or to make arrangements at an early date for a seed supply from dependable sources serving their locality.

The record in coping with drought made by such crops as alfalfa, lespedeza, sweet clover, soybeans, forage sorghums, and sudan grass, and established grass sods will, undoubtedly, further increase the interest of farmers in increasing the use of these crops and other crops most effective in soil conservation and in producing emergency roughage and pasture.

In many counties where drought seriously reduced livestock feed supplies, farmers will need to increase their fall plantings of cover and pasture crops, such as rye and winter vetch, and in central and southern localities, where adapted, winter peas, winter oats, and barley. Seed supplies should be available locally for use when needed.

Your County Agricultural Agent and the agronomists of your State Agricultural College can advise you in regard to the seed supply situation in your State and methods of harvesting, threshing, curing, and storing seed crops.

Sincerely yours,

G. B. Thorne

G. B. Thorne,
Director, North Central Division.

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UNITED STATES DEPARTMENT OF AGRICULTURE
 AGRICULTURAL ADJUSTMENT ADMINISTRATION
 WASHINGTON, D. C.

October 15, 1936.

TO MEMBERS OF AGRICULTURAL CONSERVATION COMMITTEES—
 NORTH CENTRAL REGION:

Dear Committeeman:

The following summary, dealing with agricultural recovery since the depression, has been prepared in response to a widespread demand for information on this subject.

Average prices received by farmers for some of the more important farm products in 1932, 1933, 1934, 1935, and the prices received by farmers on September 15, 1936, are indicative of the general improvement in prices for farm products. The most recent figures available are for September 15, 1936.

Prices Received by Farmers for Certain Agricultural Products

	1932 Av.	1933 Av.	1934 Av.	1935 Av.	Sept. 15, 1936
Wheat, per bu.....	\$0.38	\$0.74	\$0.84	\$0.83	\$1.04
Corn, per bu.....	.31	.52	.81	.57	1.04
Hogs, per 100 lb.....	3.44	3.94	4.17	8.36	9.68
Cotton, per lb.....	.06	.10	.12	.11	.12
Tobacco, per lb.....	.10	.13	.21	.18	.22
Beef Cattle, per 100 lb.....	4.07	3.63	3.88	6.21	5.88
Butter, per lb.....	.20	.20	.22	.26	.31
Milk, per 100 lb.....	1.29	1.31	1.52	1.71	2.04
Eggs, per doz.....	.14	.13	.17	.23	.24

As a result of the improvement in prices, cash income from farm marketings, exclusive of benefit payments, increased more than 2 billion dollars from 1932 to 1935. Continued price improvement this year is expected to bring the total 1936 cash income from farm marketings up to well over 7 billion dollars, compared to 4-1/3 billion dollars in 1932.

The following table, giving estimates of the cash income from farm marketings (which should not be confused with estimates of cash income from farm production or with gross income), shows the improvement.

Cash Income from Farm Marketings

Calendar year	Without benefit payments	With benefit payments
1932.....	\$4,328,000,000	
1933.....	4,955,000,000	\$5,117,000,000
1934.....	5,792,000,000	6,348,000,000
1935.....	6,507,000,000	7,090,000,000
1936-Preliminary.....		7,850,000,000

These estimates represent the cash receipts from farm products actually sold during the calendar year, while the estimates of cash income from farm production represent the income from products produced during the calendar year for sale but which may be marketed over a 2- or 3-year period.

The following table indicates the trend of farm buying power in the years from 1921-35:

Year	Average whole-sale price of double wagon	Number bales of cotton needed to buy double wagon	Number bushels of wheat needed to buy double wagon	Number bushels of corn needed to buy double wagon	Number of 200-lb. hogs needed to buy double wagon
1921	\$118.27	2.07	106	212	7.6
1923	111.05	.79	117	140	7.8
1925	96.90	.93	66	99	4.5
1927	103.07	1.15	86	133	5.4
1929	94.24	1.08	90	109	5.0
1931	86.60	2.83	203	176	7.4
1932	79.19	2.61	210	287	11.5
1933	78.97	1.82	121	220	11.2
1934	81.31	1.32	99	131	9.8
1935	81.28	1.44	95	107	4.7

The improvement in prices for farm products has been brought about chiefly by three factors—improved purchasing power of consumers, reduction of price-depressing surpluses, and improved export demand for farm products.

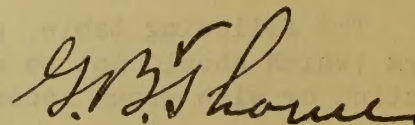
The value of exports of farm products was 84-1/2 million dollars greater in 1935 than in 1932. The following table shows the increase in exports since 1932:

Value of Agricultural Exports, Excluding Forest Products, 1932-35

1932	\$662,400,000
1933	694,400,000
1934	733,400,000
1935 - Preliminary	747,100,000

Further improvement in the export market for farm products is shown by the fact that farm exports for the first eight months of 1936 showed a gain of \$13,819,000 over the first eight months of 1935.

Very truly yours,



G. B. THORNE,
Director, North Central Division.